UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/032,535	01/02/2002	John C. Shaw	054253-5001	5955

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JOHN ALEXANDER GALBREATH	HARBECK, TIMOTHY M	

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3628	

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Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

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	Application No.	Applicant(s)
Office Action Summary	10/032,535	SHAW ET AL.
	Examiner	Art Unit	
	Timothy M. Harbeck	3628	

-- *The MAILING DATE of this communication appears on the cover sheet with the correspondence address* --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>02 January 2002</u>.

2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>1-163</u> is/are pending in the application.

  4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☐ Claim(s) <u>1-163</u> is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

  Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

  Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

  a)☐ All b)☐ Some * c)☐ None of:

  1.☐ Certified copies of the priority documents have been received.

  2.☐ Certified copies of the priority documents have been received in Application No. _____.

  3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

  * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
   Paper No(s)/Mail Date <u>9/17/2004</u>.

4) ☐ Interview Summary (PTO-413)
   Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Claim Objections

Claim 66 is objected to because of the following informalities: Claim 66 refers to the "prospective transition entries" of Claim 62, however this term does not appear. The examiner believes that applicant intended to use the phrase "prospective transaction entries," and the claim has been examined as such. Appropriate correction is required.

Additionally, Claims 68-77 are marked as original in the amended claims when they were not present in the first listing of claims. These claims should be marked as new, and have been examined as such.

Furthermore, a number of times the applicant has not been consistent regarding the types of claims between independent and dependent claims. For example, independent claim 51 is a system claim. Claims 68-77, which depend from claim 51, refer to the "method" of claim 51. This occurs again with regards to claim 94 and its dependent claims, as well as claim 137 and its dependent claims. Correction is required.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States

only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

Claims 1-4, 8, 12-14, 17-21, 25, 29-31, 34-38, 42, 46, 47, 50-57, 59-66, 68-70, 74, 75-81, 85, 89-90, 93-97, 101 and 102 are rejected under 35 U.S.C. 102(e) as being anticipated by Silverman et al (hereinafter Silverman, US Pat No 5,924,082).

Re Claim 1: Silverman discloses a negotiated matching system comprising the steps of:

- Receiving indications of interest from potential transferees and potential transferors into a central processing system, each indication of interest involving a transfer of a specific item (Column 3, lines 56-60)

- Anonymously comparing indications of interest received from potential transferees with indications of interest received from potential transferors within the central processing system to determine whether a match has occurred (Column 4, lines 4-12)

- Identifying contra-parties to a transaction based on said determination of whether a match has occurred (Column 4, lines 35-39)

- Notifying the authorized representative of the contra-parties that a match has occurred (Column 4, lines 39-41).

- Providing contacting means to the authorized representative to allow the authorized representative to contact the contra-parties so that a transaction can be consummated between the contra parties (Column 4, lines 39-41; Figure 2 Ref 221 "enable electronic communication").

- Consummating the transaction between the contra-parties through direct consummation by the authorized representative and the contra-parties (Column 4, lines 41-49)

Re Claim 2: Silverman further discloses the step wherein at least one of the received indications of interest involves the transfer of an equity security (Column 3, lines 51-55).

Re Claim 3: Silverman further discloses the step wherein at least one of the received indications of interest involves the transfer of a debt security (Column 3, lines 51-55).

Re Claim 4: Silverman further discloses the step wherein at least one of the received indications of interest involves the transfer of a derivative security (Column 3, lines 51-55).

Re Claim 8: Silverman further discloses the step wherein at least one of the received indications of interest includes ancillary information not used in determining whether a match has occurred in said comparing step but which is transmitted to a matched contra-party during said consummating the transaction step to assist in consummation by the contra-parties (Column 4, lines 35-49). The system as disclosed by Silverman, first matches potential contra-parties based on a first set of parameters and then provides the parties with additional information once the match has occurred (i.e. attributes of the potential counter party) that further assist with the transaction process. This type of information would be useful to a user of the system so they get a

better profile of the counter party and can further manage the potential risk of the transaction.

Re Claim 12: Silverman further discloses the step wherein said providing step also includes providing contacting means directly to the contra-parties (Column 7, lines 50-53).

Re Claim 13: Silverman further discloses the step wherein a match is not determined to have occurred between a potential transferee and a potential transferor in said comparing step unless all input fields making up the indication of interest entered by the potential transferee matches all input fields making up the indication of interest entered by the potential transferor (Column 7, lines 25-30). Silverman discloses that users can enter firm parameters (non-negotiable). In this manner if the user only entered firm parameters, all the criteria would have to be met in order for a match to occur.

Re claim 14: Silverman further discloses the step wherein a match is determined to have occurred between a potential transferee and a potential transferor in said comparing step even though all input fields making up the indication of interest entered by the potential transferee do not match all input fields making up the indication of interest entered by the potential transferor (Column 7, lines 25-30). Silverman discloses that users can enter soft parameters (negotiable). In this manner if the user has entered soft parameters, all the criteria would not have to be met directly in order for a match to occur, and potential contra-parties can further negotiate on some of the parameters.

Re Claim 17: Silverman further discloses the step of reporting the

consummation and terms of the transaction to the central processing system (Column 7

line 54- Column 8 line 2).

Re Claims 18-21, 25, 29-31 and 34: These claims essentially contain the same

limitations as claims 1-4, 8, 12-14 and 17 respectively. There is a slight difference

between independent claims 1 and 18 regarding notification versus introducing

counterparties to a transaction. Silverman discloses both the notification step and the

introduction step (Column 7, lines 50-53). The remaining limitations in the claims are

essentially the same as claims the previous respective claims and are therefore rejected

using the same art and rationale.

Re Claims 35-38, 42, 46,47 and 50: These claims contain essentially the same

limitations as claims 1-4, 8, 13,14 and 17 respectively. There is a slight difference

between independent claims 1 and 35 regarding notification versus disclosing of

contacting means. Silverman discloses both the notification step and the disclosure of

contacting means (Column 7, lines 50-53). The remaining limitations in the claims are

essentially the same as the previous respective claims and are therefore rejected using

the same art and rationale.

Re Claims 51, 68-70, 74 and 75-77: Further system claim would have been

obvious to perform method claims 1, 2-4, 8 and 12-14 respectively and are therefore

rejected using the same art and rationale.

Re Claim 52: Silverman discloses a negotiated matching system for facilitating

the trading of transferable commodities including:

- A network, including a secure station and a plurality of remote terminals having respective user identities and communicatively linked to the secure station for data transmission between the secure station and the user terminals (Column 17-38).

- A search component (Ref 206) operatively coupled to the memory (Ref 202) and adapted to perform a comparison of the stored entries with respect to the transferable item indications and the transaction side indications and, based on said comparison, to select sets of two or more of the stored entries as matching entries having the same transferable item indication and together including transaction side indications identifying the opposing transaction sides (See Fig 2; Refs 205-220)

- A message sending component operatively coupled to the search component and to the memory and adapted, in response to the selection of each said set of matching entries, to generate a prospective transaction message including the transaction indication and the user identity corresponding to each of the matching entries and further adapted to provide the prospective transaction message to the user terminals associated with said corresponding user identities, thus to facilitate an interaction among users associated with the user terminals to complete a transaction involving the transferable item (See Fig 2, Refs 221-225).

- A data security component for restricting access to any given prospective transaction entry stored in the memory to (i) the user identity

corresponding to the given entry; and (ii) the user identities corresponding

to the other entries that includes the give entry (Column 3, line 65- Column

4 line 3).

Re Claim 53: Silverman further discloses the step wherein said message

sending component provides the prospective transaction message substantially

simultaneously to the user terminals associated with said corresponding user identities

(Column 7, lines 50-53).

Re Claim 54: Silverman further discloses the step of a menu for enabling users

to select transferable item indications corresponding to different types of transferable

items (Column 8, lines 33-41)

Re Claim 55: Silverman further discloses the step wherein said menu is stored

in the memory (Column 7, lines 31-33). Silverman notes that the bids (transferable

items) are stored either by intelligent nodes or in the memory of the matching computer.

These bids make up said menu of transferable items and therefore the menu is stored

into memory.

Re Claim 56: Silverman further discloses the step wherein the data security

component includes a plurality of user pages maintained at the secure station, each of

the user pages being associated with and accessible only by one of the users (Column

4, lines 28-33).

Re Claim 57: Silverman further discloses the step wherein each of the

prospective entries includes a further indication selected from a group consisting of: an

amount indication; a price indication designating an acceptable price or an acceptable

price range; and a time limit indication (Column 4, lines 33-39).

Re Claim 59: Silverman further discloses the step wherein

- The memory includes an active segment for storing prospective

    transaction entries with none of said further indications and for storing

    entries including further indications that are satisfied (Column 7, lines

    31-33); and a suspended segment (Column 7, 43-53) for storing

    prospective transaction entries including a further indication which is not

    satisfied

- Wherein the secure station further includes an entry monitoring

    component operatively associated with the active and suspended

    segments, for repeatedly monitoring the entries that include a further

    indication, to determine whether that further indication is satisfied

    (Column 8, lines 59-65)

- Wherein said search component performs said comparison only upon

    the entries stored in the active segment (Column 7, lines 43-53).

    Silverman discloses that "frozen," bids and offers are not displayed to

    other users performing searches.

Re Claim 60: Silverman further discloses the step wherein the memory further

includes a pending segment for storing prospective transaction entries designated as

pending by the corresponding users (Column 7, lines 43-49), and a means for shifting

an entry from the pending segment to the active segment responsive to a signal from

the corresponding user terminal activating to the entry (Column 8, lines 3-5).

Re Claim 61: Silverman further discloses the step wherein a status designation

component enabling each user to alternatively designate a prospective transaction entry

as active or pending (Column 7, lines 43-39); wherein the memory includes an active

memory segment for storing entries designated active, and an inactive memory for

storing entries designated as pending and means for transferring an entry from one of

said segments to the other in response to a change in the designation (Column 8, lines

3-5).

Re Claim 62: Silverman discloses a negotiated matching system including the

steps of:

- Receiving, from a plurality of remote user locations, user information

  including user identities, and transaction information in the form of

  prospective transaction entries, each of the entries including a transferable

  item indication and a transaction side indication identifying one of two

  opposing transaction sides (Column 7, lines 25-30).

- Storing the user information and the prospective transaction entries into

  memory (Column 7, lines 31-33).

- Searching the memory to perform a comparison of the stored entries with

  respect to the transferable item indications and the transaction side

  information (Column 7, lines 37-42)

- Based on said comparison, selecting matching entries to form sets of two or more of the matching entries having the same transferable item indication and together including transaction side indications identifying the opposing transaction sides (Column 7, lines 43-49)

- In response to selecting each of the sets of entries, generating a prospective transaction message including the transaction indication and user identity corresponding to each of the matching entries, and providing the prospective transaction message to the user locations associated with the corresponding user identities, thereby to enable the associated users to contact one another toward a completion of transaction involving the transferable item (Column 7, lines 50-53)

- Restricting access to any given prospective transaction entry to (i) the user identity corresponding to the given entry; and (ii) the user identities corresponding to the other entries in any of said sets of entries that includes the given entry (Column 7, lines 43-45).

Re Claim 63: Silverman further discloses the step wherein said providing the prospective transaction message includes providing said message substantially simultaneously to the user terminals associated with the corresponding user identities (Column 7, lines 50-53; "automatically signals").

Re Claim 64: Silverman further discloses the step wherein prior to receiving the prospective transaction entries from a given user, authorizing the given user based on the given user's meeting of predetermined qualification requirements (Column 37-42).

The given user must meet the predetermined parameters of the transaction before they are authorized to receive the prospective transaction entries.

Re Claim 65: Silverman further discloses the step wherein said restricting access includes maintaining at the secure location a plurality of user pages, each user page personalized to and accessible only by an associated one of the user locations (Column 8, lines 17-19).

Re Claim 66: Silverman further discloses the step wherein each of the prospective transaction entries further optionally includes a condition, and the process further includes identifying the prospective transaction entries that includes a condition, and monitoring each of the entries to determine whether the associated condition is satisfied (Column 7, lines 37-42). The matching computer examines each prospective entry for appropriate parameters as set forth by other transactions and determines matches based on whether these parameters are satisfied.

Re Claim 78: This claim contains essentially the same limitations as claim 1. The only difference is that the contraparties are notified as opposed to the authorized representative. In the case where a contra party is acting on its on behalf, it can be properly said that the contra-parties authorized representative is his or herself and therefore this claim is rejected using the same art and rationale as claim 1.

Re Claims 79-81, 85, 89-90 and 93: These claims contain the same limitations as claims 2-4, 8, 13-14 and 17 respectively and are therefore rejected using the same art and rationale.

Re Claims 94, 95-97, 101 and 102: Further system claim would have been

obvious to perform previously rejected method claims 78, 79-81, 85 and 75 and are

therefore rejected using the same art and rationale

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

Claims 5-7, 9-11, 15, 16, 22-24, 26-28, 32-33, 39-41, 43, 45, 48-49, 58, 67, 71-

73, 82-84, 86-88, 91, 92, 98-100 and 103-104 are rejected under 35 U.S.C. 103(a) as

being unpatentable over Silverman.

Re Claim 5 and 6: Silverman further discloses the step wherein at least one of

the received indications of interest contains a limit as to the acceptable price per unit of

the specific item that is the subject of its associated transaction and minimum

acceptable total value of its associated transaction (Column 7, lines 25-30). Silverman

notes that price is a parameter entered by the user and it would have been obvious to

someone skilled in the ordinary art that this indication of price would include placing

limits on the price (per unit or total value), since this was a well-known operation in

trading financial instruments.

Re Claim 7: Silverman further discloses the step wherein at least one of the

received indications of interest contain a limit as to the minimum acceptable number of

units to be purchased or sold in connection with the transaction (Column 7, lines 25-30).

Silverman notes that quantity is a parameter entered by the user and it would have

been obvious to someone skilled in the ordinary art that this indication of quantity would

include placing limits as to the minimum acceptable number of limits, since this was a

well-known operation in trading financial instruments.

Re Claim 9: Silverman further discloses the step wherein a match between a

potential transferee and a potential transferor is not determined to have occurred in said

comparing step unless any price per unit limits established by each of the potential

transferee and the potential transferor are satisfied (Column 7, lines 37-42). It was

established in the rejection of claim 5 that limits on the price per unit are a type of

parameter that a user could input into the Silverman system. The system uses these

parameters in the matching function and therefore if another offer does not satisfy this

parameter, it will not be matched by the computer.

Re Claim 10: Silverman further discloses the step wherein a match between a

potential transferee and a potential transferor is not determined to have occurred in said

comparing step unless any minimum acceptable total values of the transaction are

established by each of the potential transferee and the potential transferor, respectively,

are satisfied (Column 7, lines 37-42). It was established in the rejection of claim 6 that a

minimum acceptable total value of the transaction is a type of parameter that a user

could input into the Silverman system. The system uses these parameters in the

matching function and therefore if another offer does not satisfy this parameter, it will

not be matched by the computer.

Re Claim 11: Silverman further discloses the step wherein a match between a potential transferee and a potential transferor is not determined to have occurred in said comparing step unless any minimum acceptable number of units established by each of the potential transferee and transferor, respectively, is satisfied (Column 7, lines 37-42). It was established in the rejection of claim 7 that a minimum acceptable number of units is a type of parameter that a user could input into the Silverman system. The system uses these parameters in the matching function and therefore if another offer does not satisfy this parameter, it will not be matched by the computer.

Re Claim 15 and 16: Silverman discloses the claimed method supra and while not explicitly disclosing the step wherein an indicator of interest from a potential transferee or transferor is not received into the central processing system unless the potential transferee or transferor makes a good faith deposit, this could easily be incorporated as a firm parameter entered by the user (Column 7, lines 25-30). The user could simply state that the transaction will not occur without a good faith deposit on the transaction. It would have been obvious to someone skilled in the ordinary art at the time of invention to include this entry as a firm parameter to further reduce one's exposure to the risk of a default by the contra-party. The computer would therefore not execute the trade unless this parameter was met.

Re Claims 22-24, 26, 28, 32 and 33: These claims essentially have the same limitations as previously rejected claims, 5-7, 9, 11, 15 and 16 respectively and are therefore rejected using the same art and rationale.

Re Claims 39-41, 43-45, 48 and 49: These claims essentially have the same limitations as previously rejected claims, 5-7, 9-11, 15 and 16 respectively and are therefore rejected using the same art and rationale.

Re Claim 58: Silverman discloses the claimed method supra and while not specifically disclosing an apportionment component, someone skilled in the ordinary art at the time of invention could have used the Silverman system to achieve the desired result. A user of the system would simply enter the amount of the transferable item as a parameter to the transaction and then receive the matching offers. The user could then simply negotiate with multiple parties to fulfill the amount requirement that they desire.

Re Claim 67: Silverman discloses the claimed method supra and while not specifically disclosing the step wherein responsive to the selection of a set that includes at least two entries with the same transaction side indication, apportioning the transferable item among the users indicating said same side of the transaction, someone skilled in the ordinary art at the time of invention could have used the Silverman system to achieve the desired result. A user of the system would simply enter the amount of the transferable item as a parameter to the transaction and then receive the matching offers. The user could then simply negotiate with multiple parties to fulfill the amount requirement that they desire.

Re Claims 71-73: Further system claims would have been obvious from previously rejected method claims 5-7 and are therefore rejected using the same art and rationale.

Re Claims 82-84, 86-88, 91 and 92: These claims contain essentially the same limitations as previously rejected claims 5-7, 9-11, 15 and 16 respectively and are therefore rejected using the same art and rationale.

Re Claims 98-100, 103 and 104: Further system claims would have been obvious to perform previously rejected method claims 82-84, 86 and 87 and are therefore rejected using the same art and rationale.

Double Patenting

Claims 105-120, 121-136 and 137-147 are objected to under 37 CFR 1.75 as being a substantial duplicate of claims 52-67, 78-93 and 94-104 respectively. Furthermore **Claims 148-163** are substantial duplicate of claims 52-67 as well. When two claims in an application are duplicates or else are so close in content that they both cover the same thing, despite a slight difference in wording, it is proper after allowing one claim to object to the other as being a substantial duplicate of the allowed claim. See MPEP § 706.03(k).

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

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